REMARKS

This amendment is responsive to the Office Action that issued March 30, 2004. In light of the above amendments and the following remarks, reconsideration and removal of the grounds for rejection are respectfully requested.

The Applicant notes that the present Office Action reverses the indication that Claims 5 and 10 would be allowed if put into independent format. It was under this premise that the Applicant previously amended the originally filed claims. The Applicant never subscribed to the original rejection of the originally filed claims and intended to file a continuation application to the canceled subject matter as also previously indicated.

In amending the claims herein, the Applicant has merely put the claims back into the same form as originally submitted with the exception of deleting reference numbers to put the claims in accordance with standard U.S. claim practice. Claims 16 is added herein and directly corresponds to originally submitted Claim 5, cancelled previously as a direct result of the original indication that Claim 5 was allowable. Accordingly, the claims have not been amended for the purposes of patentability. In fact, the claims are in substantially the same form as originally submitted and therefore should be interpreted to have the full range of equivalents under the doctrine of equivalents.

\\FAXPRN22\venalitemp\45638ba3c08546c58e613507765dbe89.dog

In the Office Action, it is acknowledged that the Applicant has made a claim for priority based on an application filed in Europe on March 8, 1998, however the Applicant has not filed a certified copy of European Application 98200656. It is respectfully submitted that this pending application is a national application filing under 35 U.S.C. 371. The certified copy of the priority document indicated was filed during the original PCT filing as required and was noted on the cover of the published international application as forwarded by the international branch and forwarded by the applicant (see, MPEP 201.13(b)). Accordingly, it is respectfully submitted that the requirement of submittal of a certified copy of the priority document has be fulfilled and an indication to that effect is respectfully requested.

Claims 1-4 and 6-15 are rejected under 35 U.S.C. §103(a) as unpatentable over U.S. Patent No. 6,427,012 to Petrovic in view of U.S. Patent No. 6,185,312 to Nakamura ("Nakamura").

This rejection of the claims is respectfully traversed. In review of Petrovic, I have not been able to find a disclosure or suggestion in the passages referred to (Col. 4, lines 12-59 and Col. 5, line 27 to Col. 6, line 59) that a predetermined watermark is shifted over a vector, and that said vector is indicative of the auxiliary data to be embedded as required by each of the currently pending claims.

In Petrovic, the auxiliary data that is embedded is a bit string bl..bN that is converted into an auxiliary data signal m(t) according to equation (3) and shown in FIG. 3. A replica (41) of the cover signal (2) is modulated with this auxiliary signal m(t). The signal w(t) (8) thus obtained is added (12) (see, FIG. 2) to the cover signal. Accordinly, an embedded signal w(t) represents a given payload bl..bN. The embedded signal is shown in equation (2).

Petrovic in contrast does not disclose or suggest "shifting one or more predetermined watermark patterns (W2) one or more times over a vector (k), the respective vector(s) being indicative of said auxiliary data (K)" as required by Claim 1 as originally submitted. Further, neither does Petrovic disclose or suggest "determining a vector (k) by which each detected watermark (W2') is shifted with respect to a predetermined watermark (W2); and retrieving said auxiliary data from said vector(s)" as required by originally submitted 6. Further still, Petrovic does not disclose or suggest "means for shifting one or more predetermined watermark patterns (W2) one or more times over a vector (k), the respective vector(s) being indicative of said auxiliary data (K)" as required by originally submitted 11; nor "means for determining a vector (k) by which each detected watermark (W2') is shifted with respect to a predetermined watermark (W2); - means for retrieving said auxiliary data from said vector(s)" as required by originally submitted Claim

\\FAXPRN22\venalitemp\45638ba3c08546c58e613507765dbe89.dqc0

12; nor "wherein the embedded watermark is a shifted version of a predetermined watermark (W2), the vector (k) over which the predetermined watermark has been shifted being indicative of said auxiliary data" as require by Claim 14; nor "wherein the embedded watermark is a shifted version of a predetermined watermark (W2), the vector (k) over which the predetermined watermark has been shifted being indicative of said auxiliary data" as required by Claim 15.

Accordingly, it is respectfully submitted that Claims 1, 6, 11, 12, 14, and 15 are allowable over Petrovic and an indication to that effect is respectfully requested. Claims 2-4, 7-10, and 13 respectively depend from one of Claims 1, 6, and 11 and are allowable for at least that reason as well as for the separately patentable elements contained in each of the claims. Accordingly, separate consideration and allowance of each of Claims 2-4, 7-10, and 13 is respectfully requested.

This amendment places the instant application in condition for immediate allowance and such action is respectfully requested.

Respectfully submitted,

Gregory L. Thorne, Reg. 39,398

Senior Patent Counsel

(914) 333-9665

July 30, 2004